

## A Conversation with Dr. James Watters, Senior Vice-President of Finance and Administration and Treasurer

Facilitated by Luke Auburn

**Luke Auburn:** You're listening to the RIT Professional Development Podcast Series. I'm your host Luke Auburn. Today I'm speaking with Dr. James Watters, RIT's Senior Vice-President of Finance and Administration and Treasurer. He came to RIT from the University of Pittsburg where he spent his previous professional years and earned a BS, MS, and PhD. Today Dr. Watters leads more than 780 full-time employees, and is responsible for administering the university's 700 million operating and capital budgets, 900 million endowment and working capital portfolios, and a 270 million public debt portfolio. Dr. Watters oversees axillary enterprises, human resources, accounting and payroll insurance, public safety, audit, legal, IT and security, and facilities operations design and construction. We'll talk about his career path and important lessons he's learned along the way. Dr. Watters, thank you for having us.

**Dr. Watters:** Well, I'm pleased to be with you today.

**Luke Auburn:** So you started at RIT more than 20 years ago. Can you talk about some of the changes and shifts you've seen over that time?

**Dr. Watters:** Yeah, I think they're pretty easy to identify. You know under Dr. Simone's leadership he saw the need for the university to actually grow. That he wanted to see a more substantial student body. He wanted to see the academic and co-curricular activities of the university fill out so that they really represented what a robust university each day meant. And so you saw during his tenure undergraduate populations grow by more than 80 percent, which you know certainly had a big implication on infrastructure. It had an implication on teaching and the faculties that we would recruit. And also where did those students come from and the reliance on a global network for the recruitment of students to ensure that as you grew the student body you also increase the caliber of the students, the talents of the students, the

academic achievement of the students, and so his tenure was really marked by profound growth.

On the infrastructure side we did approximately \$800 million worth of construction and renovations to compliment you know his growth strategy. When I came here the university suffered some pretty significant attrition, and so he laid it out very clearly to me that 40 percent of the students who RIT recruited left, and in many instances they left because they found the campus cold, uninviting corporate and its construction and its delivery of curb appeal. And so you know he gave me the very specific challenge of cleaning up all the differed maintenance that existed, and at the same time really creating a warm inviting campus that reflected what today's colleges and universities needed to offer their students to remain competitive and to remain a destination of choice. So his challenge to me was pretty significant, but he backed off and let me go ahead and develop a team that I think had great vision about that. He allowed me to bring in architects from different areas of the country who had a different view than perhaps RIT had traditionally embraced. And I think we've transformed the physical nature of the campus quite significantly during this time period. It was great in the sense that the campus was due for a--you know a refresh; many of the original buildings had reached the end of their useful life as far as the assets of bodies--building systems and those kinds of things. So it all came together in one I think integrated plan.

Dial forward under Dr. Destler, you know you've seen that continued growth, but you've seen that continued growth, but you see more emphases now on some of the specialties that we want to grow. You see I think continued emphases on rounding out the research portfolio, and so we have some very specific targets now as you look at research growth; the additions of strategic PhD programs. When you look at student populations some very strategic moves to offer portfolios that are more attractive to female students. It's very clear that there are certain disciplines which are better attractors to females than others. RIT had had a deficit of those in the portfolio and it hurt the gender balance on the campus so I think Dr. Destler's done a terrific job in identifying some of those opportunities where we needed to expand or add so that we had better gender balance. And now you see a very distinct movement to expand the

global footprint, so now we are opening two campuses in China. We are in discussions in Bangalore, India for a presence there. We have an expanded presence in Dubai, and we have expanded Croatia to include their capital of Zagreb. So you know he's certainly led an increased global footprint, which has once again just added to the complexity and the breath of RIT and its system of campuses.

**Luke Auburn:** You talked about those two presidents and their leadership. What does the leadership mean to you in your field? What qualities does someone need to be a good leader?

**Dr. Watters:** Fundamentally for me it comes down to the quality of decision making. Good leaders demonstrate excellent decision making discipline and creating decisions which have great futurity. I was taught early on that decision making has three basic components to it. One it's all the lessons you've learned and all of the education you've received and so some decisions you just make you know instinctively from that cumulative basis of all your premises; you really don't think it through you just know how you're going to react and you do it. That's why training in the military is so important, right, they want in certain critical situations they want the soldiers to already know exactly the decisions they'll make so they're under stressful situations they're not really going through some real long extensive proactive thinking through all the alternatives, right, it's just instinctive.

The second is information, and hopefully the very vast amount of our decisions are based on all of the information that we assemble, all the cost benefit analysis, all the alternatives, and a very, very informed process including others where you come to an agreement was to the very best value proposition and the very best decision of all the alternatives that exist. And then ultimately that executive leads a process that brings together that objective analysis and a decision that will carry the institution forward in a strategic way in a very long term ethical position. The third element of decision making is what's in it for me, and this is where I think good decisions and good leaders separate themselves out. You know, I think part of the reason Americans disdain politicians somewhat is in the decision making you see, right, there seems to be this element of what's in it for me for the party that creeps into

too much of their decision making and their strategies. Good leaders throttle down that element that always tries to creep in there, what's in it for me. And you put the goodness of the institution and the goodness of the people and the goodness of the students ahead of that unnecessary what's in it for me component, and you base things on the facts, and what's really important for the institution. And I think over time leaders who consistently can push out that nagging element of what's in it for me and make decisions which are vital to the institution; I think they prevail, and it's that quality that starts to distinguish very quickly the good leaders from the ones who don't stand the test of time.

**Luke Auburn:** In your personal experience, what do you think has been key to your career success?

**Dr. Watters:** Well, surrounding myself with very talented smart people. You know, it is a very old adage about get people who are smarter than you and listen to them. Get them the resources they need and then get out of their way. It's absolutely true. It's absolutely true that no one person can do what ten people can do. No one person can have the kind of dramatic impact on an institution that an institution is big in dynamic needs. You have to have a talented team, and I think one of the things that I've been blessed is the ability to recruit and retain some very extraordinary people. And you look across the breath of the management in finance and administration and you will find that truly exemplary talent, and that's what propels us forward.

**Luke Auburn:** As you've been developing your career, who have been the most influential people in helping you shape your career?

**Dr. Watters:** Well, you know it starts with for me my parents who really I think established a very good ethical basis for me; one that's grounded in family and that idea of putting others forward first. But my mentor at the University of Pittsburg, Mr. Dutton, I think probably had the greatest influence, because he caught me early on in grad school and gave me some great career advice. He mentored me along the way and then ultimately gave me my first real administrative finance job, and then just literally killed me with throwing me into complex

things with very little safety net. And it was sink or swim and if you really were, you know, drinking from a fire house come back and see him, and he would put a plug in for a while. But having had that kind of exposure to very big complex institutional finance issues was invaluable training for me.

I started out dealing with offshore insurance companies in the medical malpractice arena, pit them for companies and then I was involved with him in the running of those companies so I got to see international operations. I got to see investments internationally, risk mitigation, risk enterprise, and then eventually I took over internal aspects of the university under him. But his thing always was for me was putting me in a position to try and make money. He wanted me to be the guy that evaluated money opportunities and to just look at ways to make money. And so I've always been predisposed to think that way and that's probably solely attributed to him and his mentorship.

**Luke Auburn:** So along those same lines what would you say the best piece of advice you've ever been given is?

**Dr. Watters:** The best of advice, I think, it is to trust those around you until they demonstrate that they've lost it. You know, you hire these good people for a reason. You compliment your own skill sets with people who you know have others. You know, I think your experience guides you as to when they perhaps don't have it quite right, and you try to help them kind of see all the other alternatives to get them back on course, but largely you know they're the content experts in their fields, and you need to listen to their sage advice and you know make sure you're always objective to listen to it.

You know, I think people you know when ultimately you reach my position sometimes there's a little intimidation factor, there's a little maybe reluctance to share as much. So I want to make sure that everybody understands that you know they should be sharing everything possible that you know I don't have a preconceived notion how something comes out. As much as I might you know inadvertently give that sometimes, I battle against that. You know, like that big "D" quotient I have in that [DISC assessment] wheel you guys make me do. But anyway, it is

really listening, because there's no sense having extraordinary talent and then just going off and doing your own thing, right? It's back to that whole thing of decision making. You know bring them together get their best talents, understand what they want to do and why they want to do it, and just make sure there's great futurity into the decision that's made.

**Luke Auburn:** And finally, is there a career lesson that maybe you've learned the hard way that you would caution others about?

**Dr. Watters:** Picking managers and picking people is probably the hardest part of any job, because until they're really into the job you don't know how they're going to do. One of the biggest mistakes I've made is in my previous institution was I rewarded a guy for doing a great job in the job he was in. And instead of maintaining the discipline of looking at the skills necessary to be successful for the job I was hiring for, I rewarded him for his skills and his accomplishments in the job he was in. And I didn't do a good enough job of assessing his ability to move up and whether his skill sets were transferable into that position and whether they were actually the same skill sets necessary to be successful in that job. And I did him a disservice because I promoted him into a job he wasn't really suited for and it was an unhappy ending.

**Luke Auburn:** Thank you very much for your time Dr. Watters. That concludes another edition of the RIT Professional Development Podcast Series. For more information on how you can develop your career visit [rit.edu/cpd](http://rit.edu/cpd).